

THE LINGLE-AIONA ADMINISTRATION'S

INITIATIVES 2008

The future is all our responsibility



■ MESSAGE FROM GOVERNOR LINDA LINGLE AND LT. GOVERNOR JAMES R. "DUKE" AIONA, JR.

*"There is no place on earth
like these islands. I am forever
grateful for the privilege of
being your governor."
— Governor Linda Lingle*



COVER PHOTOS, FROM LEFT TO RIGHT:
*Meeting Mrs. Shizuko Nakama; Visiting
Chiefess Kamakahelei robotics students;
Courtyards at Mililani Mauka affordable
housing blessing ceremony; Visit to Northwestern
Hawaiian Islands with Jean Michelle Cousteau.*

Aloha!

Our administration's top priority is helping to create a better quality of life for all Hawai'i's people while using fewer natural resources, and at the same time preserving those aspects of life that make these islands unique in all the world.

Collaborative legislative action on our proposed initiatives will be critical to our success in raising the standard of living through affordable housing programs, education reform, workforce development, targeted tax relief and other important, innovative ideas.

The legislature also needs to take decisive action in order for us to succeed in preserving and enhancing our cultural and natural resources while increasing our energy independence.

The 14 initiative sections in this booklet show how, together, we can move our state forward. As we continue addressing the current and future needs of our residents, we must never forget those bedrock principles of our proud heritage—caring for each other, celebrating our diversity, and caring for the land and the sea around us.

We are living in an exciting and challenging time in our state's and the world's history. The world, and everything in it, is changing faster than ever before and innovation is happening daily in all corners of the globe.

Last year we launched the Hawai'i Innovation Initiative to pave a pathway to a stronger, more diverse, forward-looking and resilient economy that is based more on human ingenuity and less on land development and use of our natural resources. This year we will continue that effort with renewed vigor.

We need to be innovative in all that we do—both within government and in the private sector. Innovation means using our infinite human creativity to do things better, faster, less expensively, and in a more environmentally-friendly fashion in order to benefit our businesses, schools, churches, government, hospitals, communities and society.

Our administration's 2008 initiatives feature innovation across all sectors, including quality health care, renewable energy, targeted and meaningful tax relief, affordable housing programs, highway safety, food security, and disaster preparedness. We will be leading by example when it comes to innovative solutions to the challenges we face and we will incorporate innovation into all that we do.

To reach our fullest potential and achieve the greatest success, however, it will take more than just the government. Every citizen has an important role to play in Hawai'i's future.

By each of us finding our own unique way to contribute and make a difference for our beloved state, let it be said by future generations as it is said today, "There is no place on earth like these islands."

Governor Linda Lingle

Lt. Governor James R. "Duke" Aiona, Jr.

■ REDUCING THE COST OF LIVING – TAX RELIEF

- 'Ohana Tax Reduction Act of 2008. Helps families raising children and caring for kupuna by allowing families to claim a tax credit for adult care or child care costs and claim an additional personal exemption for children under 18.
- Retirement Income Tax Relief. Allows the first \$25,000 in retirement income from personal retirement accounts, such as IRAs and 401(K) plans, to be tax-exempt like the retirement income from public employee and private pension systems. Applies to persons 65 or older.
- Constitutionally-Mandated Tax Refund of 2008. Returns funds to taxpayers because State revenues exceed expenditures by 5% for two consecutive years. Refund amount to be determined by the legislature.
- Decrease the tax on each mobile phone from 66 cents to 43 cents per month.
- Help parents save for their child's college education through a \$20,000 per year tax deduction.



Governor Lingle and the Kohatsu family, who will benefit from targeted tax relief.

www.hawaii.gov/initiatives

■ PROTECTING OUR FOOD SUPPLY

‘AINA

- Provide incentive for land owners who designate their lands as Important Agricultural Lands by expediting the reclassification of lands.
- Leading to an end to fake farms. Restricts the construction of residential structures on agriculturally designated lands without proof of farming revenues.
- Increase the loan ceiling from \$50,000 to \$200,000 for farm and ranch operations on Hawaiian Home Lands

WATER

- Upgrade agricultural irrigation systems and reservoir infrastructure statewide, including those damaged during the October 2006 earthquake.

FOOD SAFETY

- Develop radio frequency identification and tracking system, which can trace locally grown produce from the farm to the table.
- Allow Department of Health to obtain samples from private farms for disease outbreak control.
- Encourage the hiring of professional epidemiologists to help identify potential disease outbreaks in our state.
- Amend the Milk Act to retain a local fresh milk supply by helping to establish a fair price paid for wholesale milk produced by local dairies.
- Continue to support the successful Hawai'i Seal of Quality and Buy Local Buy Fresh programs.

PESTS AND INVASIVE SPECIES

- Open a new joint inspection facility at Kahului Airport, allowing customs, border control, federal and state



Lt. Governor Aiona discusses the benefits of eating the recommended servings of fruits and vegetables.

- agricultural inspections to operate from a single location. This is the first facility of its kind in the United States.
- Identify high-risk shipments for inspection by providing Department of Agriculture inspectors with information on shipping container contents which might be carrying an invasive species to Hawai'i.

■ PROTECTING OUR KEIKI AND KUPUNA

KEIKI

- Allow foster children to be able to have reasonable visitations with their siblings before and after adoption or award of legal guardianship.
- Add family members to the list of people required to report child abuse and neglect (Indigo's Law).
- Require a follow-up visit by professional child care welfare staff for children reported as abused or neglected. This would add about 2,500 more visits annually to homes of vulnerable children.
- Allow a child to stay in his or her caregiver's home, even if no legal arrangements exist, if this alternative "hanai" arrangement is appropriate and safe for the child.
- Empower the Office of Youth Services with additional investigative authority to ensure that children in the State's care are safe.

KUPUNA

- Tax credit which would allow seniors and the disabled to modify their homes so they can continue to live in their own residence; changes include wheelchair ramps, bathtub "grab bars," and non-skid flooring.
- Increase administrative and criminal penalties up to \$50,000 for insurance violations committed against the elderly who are 62 years of age or older. This would be in addition to the current maximum fine for insurance violations of \$10,000.
- Require caregivers to report known or suspected abuse of vulnerable adults.
- Conduct criminal history background checks, including arrest records, on private firms hired by the State Department of Human Services to care for elderly or vulnerable individuals.



Meeting with seniors at the ORI Anuenue Senior "Moon Festival."

- Offer low-interest loans and grants to assist community care homes to make modifications to accommodate additional Medicaid clients who are elderly or disabled.

■ INCREASING AFFORDABLE HOUSING OPPORTUNITIES

- Allow state housing agencies to start projects when they have initial increments of construction funds; will provide more affordable housing.
- Reinstate the Hawai'i Community Development Authority's ability to sell affordable housing units to make these units available to needy families. This would allow 1,388 units to be available to qualified families.
- Permanently ensure that 50% of the conveyance tax is deposited in the Rental Housing Trust Fund to build more affordable rental units.
- Infuse the Rental Housing Trust Fund with an additional \$25 million to continue building more affordable rental projects.
- Add into the Dwelling Unit Revolving Fund \$25 million in

- bond proceeds to build more for-sale and rental housing.
- Appropriate \$26 million to complete the purchase of the Kukui Gardens affordable housing project in downtown Honolulu.
- Increase by \$100 million the lending level under the Housing Loan and Mortgage Program (Hula Mae) to build more multi-family dwellings throughout the State.
- Allow investors in affordable housing to claim low-income housing tax credits over 5 years rather than 10 years, making these projects more attractive investments.
- Authorize those who build affordable homes and rental units along O'ahu's Leeward Coast to use tax credits originally set aside for the Ko Olina Resort project.



Governor Lingle and Lt. Governor Aiona attend a birthday party for children at the Next Step Shelter.

HEALTH CARE

ACCESS

- Regulate the abuse of medical malpractice insurance coverage by capping non-economic damages at \$250,000, which establishes limits on attorney fees and requires damages to be allocated based on degree of negligence.
- Revamp the Certificate of Need process for approving new medical services that should be allowed to operate in the community: to expedite approvals, avoid unnecessary reviews of services that are in short supply, and expand community-based decisions.
- Allow doctors and other medical service providers to collect their payments directly from health insurance companies rather than attempting to collect from the patient.
- Improve access to workers' compensation medical services by allowing unions to design and operate workers' compensation programs for their members.
- Increase medical reimbursements for doctors and others who treat work-related injuries.
- Increase the number of nurses by allowing those pursuing a master's degree in nursing to apply for a registered nursing license.

PREPAREDNESS

- Grant the State Department of Health authority to take necessary samples from private farms and facilities to investigate a disease outbreak and ensure adequate epidemiologic staff is available to analyze the samples.
- Provide reasonable immunity from liability to licensed medical professionals who volunteer to help the State provide health services and augment State medical resources.
- Establish a statewide hospital emergency surveillance system to provide early detection of bioterrorism threats and other public health emergencies.

PREVENTION

- Establish a statewide worksite wellness program and provide necessary liability waivers so employees can participate in wellness activities.
- Require a minimum of 45 minutes per day of physical education in grades K-5 and 60 minutes per day in grades 6-12 in all public schools.



Touring the new Queen's Cancer Center with Chief of Oncology, Dr. Clayton Chong.

INNOV

*"Innovation is not just a passing i
standard of living and a brighter*

WORKFORCE DEVELOPMENT

- Create tax-free Life-Long Learning Accounts. These would enable employer-matched portable individual savings accounts to finance career-building skills.
- Allocate up to \$100 million from the Employees Retirement System to encourage and financially support innovation and new technology development within the State.
- Support legislation to allow the State to rehire retired staff in hard-to-fill and technical positions.
- Enhance and expand the MELE Program (Music Enterprise Learning Experience) to develop a trained workforce in production technology, music industry business, and artistic creativity, including a state-of-the-art training center.
- Establish a Creative Center Incubator where digital and traditional artists can work with colleagues and connect with global partners in a business empowerment zone.
- Establish Rapid Response Training programs through our universities and colleges to provide custom courses in areas not currently addressed by our educational system, including specific technical projects.
- Strengthen the Kama'aina Come Home Program through enhanced data tracking and outreach to former residents.
- Enhance the ability of the Office of Technology Transfer and Economic Development to commercialize discoveries in the university system and partner with the private sector to make these products economically viable.
- Reinvigorate the Small Business Innovation Research Program and the Small Business Technology Transfer Program to help local innovative businesses secure and match bridge financing provided through federal programs.



Congratulating graduates of the SEE (Supporting Employment Empowerment) program.

EDUCATION



Joined by inventor Dean Kamen, Governor Lingle meets girls from Hawai'i robotics teams.

INNOVATION

"Innovation is our pathway to a higher future." – Governor Linda Lingle

- Amend the State Constitution to allow voters in each county to decide whether or not to establish a local school board, beginning with a pilot program on one or more neighbor islands. Already, one county has passed a resolution asking to set up its own school board.
- Further empower the charter school movement by granting additional autonomy and powers to the Charter School Panel, removing the statutory cap on the number of charter schools, and ensuring funding for new charter schools is included in the biennium State budget.
- Allow aspiring teachers who receive financial support from the Hawai'i Educator Loan program to attend any university or college with a State-approved teacher education program, and allow them to get credit for loan repayments by teaching at a public charter school, as well as at a traditional public school.
- Create a Hawai'i Commission on Higher Education comprised of the presidents of all major universities in the State. This Commission will oversee the use of federal education funds, award scholarships, set standards, develop curriculum and implement procedures for public schools in Hawai'i.
- Broaden the number of schools and children participating in the FIRST (Fostering Inspiration and Relevance from Science and Technology), HiEST (Hawai'i Excellence through Science and Technology) and robotics academies.
- Establish endowed chairs at the University of Hawai'i for professors in the fields of science, math and engineering.
- Establish Creative Academies in Hawai'i's schools modeled after the successful STEM and Construction Academies.
- Provide Hawai'i's taxpayers with an annual deduction up to \$20,000 per married couple for setting aside funds in a college savings program for their children (HI 529 program).

ENERGY FOR TOMORROW



Lt. Governor Aiona gets a close-up view of Kaheawa Wind Power Turbines.

- Offer a tax credit to low-income residents for the installation of renewable energy technology in the home.
- Create a new Renewable Energy Division within DBEDT to focus and heighten importance of achieving greater energy independence.
- Establish a "One-Stop Permit Shop" for renewable energy projects, starting with a permits facilitator.
- Expand the successful "pay-as-you-save" solar water heater program to photovoltaic systems that convert sunshine into electricity.
- Establish an endowed Chair for Power Generation and Distribution Engineering at the University of Hawai'i.
- Protect funds paid by electricity users to support energy-efficiency and demand-side management programs (Public Benefits Fund) from legislative raids and other State encumbrances.
- Expand the definition of "renewable energy producer" to include growers and producers of organic materials for the production of biofuels and related natural fuels, so that these producers can directly lease public lands.



■ PREPARING FOR EMERGENCIES

- Increase the State Disaster Loan Program amounts to repair residences from \$35,000 to \$50,000 and businesses from \$75,000 to \$100,000. Set the interest rate at 1% below the Small Business Administration rate to make loans affordable.
- Allow utilities to respond to emergency power needs immediately without prior Public Utilities Commission approval.
- Revamp the disaster loss mitigation program to provide homeowners with a tax credit for installing hurricane protection devices, building a safe room or an in-home shelter, covering up to 35% of the cost of the improvements.
- Increase insurance coverage limits from \$750,000 to \$1 million under the Hawai'i Hurricane Relief Fund to reflect higher construction costs and property valuations. (The last increase was in 1993.)
- Prohibit price gouging and unfair business practices during a declared State disaster.
- Extend current civil liability exemptions to care homes and private schools that provide Shelter-In-Place facilities during officially designated State emergencies.



Addressing the public during the October 15, 2006 earthquake and electricity failure.

■ PRESERVING AND PROTECTING OUR NATURAL RESOURCES

- Update Hawai'i's 1993 law to ensure communities are properly notified about incidents involving hazardous substance spills.
- Allow the State to remove a grounded vessel by any means necessary to minimize damage to natural resources and ensure safe navigation.
- Allow administrative fines to be imposed for damage to stony coral and live rock on a per square meter basis.
- Increase fines for environmental violations on public lands from \$500 per day to \$2,000 per day or \$10,000 per violation, and set up a penalty system for violations in State Conservation Districts.
- Allow the Legacy Lands Fund to receive donations and grants, while permitting funds to be used for both the maintenance and acquisition of legacy lands.



Governor Lingle speaks at a ceremony to protect Pūpūkea-Paumalū for future generations.

■ INCREASING CONNECTIVITY AND ACCESSIBILITY TO YOUR GOVERNMENT

- Automate filing of claims and access to information about work-related health programs, including workers' compensation, temporary disability, and prepaid health care.
- Revamp and modernize the Bureau of Conveyances to accept electronically-filed documents and signatures.
- Connect all state department websites to ease residents' access to government information, while upgrading navigational tools.



Governor in her office at the State Capitol.

■ INCREASING SAFETY ON OUR HIGHWAYS

- Allow information regarding whether a person was wearing a seat belt or a motorcycle helmet to be used when determining negligence in vehicle accidents.
- Allow the State Highways Division to spend revenues accumulating in the State Highway Fund for operations and maintenance of our state roads, while ensuring the continuation of current deposits into that fund.
- Prohibit drivers between the ages of 15-1/2 and 18 from using a cell phone or any other electronic device while operating a motor vehicle.
- Permit the courts to require the use of an ignition interlock system for a convicted drunk driver to operate a vehicle.
- Ensure Hawai'i laws conform to federal requirements that prohibit a person convicted of a DUI from driving a commercial vehicle.



Lt. Governor Aiona meets motorcyclists at Aloha Stadium during event to promote motorcycle safety.

■ ENHANCING PUBLIC SAFETY

- Strengthen Hawai'i's sex-offender laws in the area of Internet/electronic enticement, including establishing new mandatory penalties, and creating mandatory five-year jail time for child pornography.
- Allow prior convictions of dishonesty to be considered in a court trial.
- Enhance treatment and reintegration programs for criminal offenders while keeping the community safe from premature release of prisoners. A successful example is the T.J. Mahoney Ka Hale Ho'āla Hou Nā Wāhine transitional program for female offenders.



Governor visits inmates at the Women's Community Correctional Center.

■ PROTECTING CONSUMERS

- Improve the regulation of mortgage brokers and mortgage solicitors by requiring criminal history background checks, licensing tests, education standards and periodic examinations. This will help thwart the efforts of unscrupulous brokers who prey on the elderly and those in financial difficulty.
- Prohibit health plans from disenrolling a member because of a medical condition.
- Protect those with terminal or chronic illnesses from unscrupulous brokers who trade in the life insurance policies of the sick, by requiring disclosure of the consequences to the consumer and providing the right to rescind the contract.
- Protect homeowners from those who prey on individuals facing foreclosure by requiring that rescuers provide homeowners with written contracts enumerating services and giving homeowners the right to cancel before services have been performed.
- Increase by five times the fines and penalties against unlicensed building contractors and those who provide work outside of the scope of their license.
- Eliminate the use of complete social security numbers on property records filed with the Bureau of Conveyances in order to deter identity theft.

MILITARY

- Adopt the Interstate Compact to help children from military families who often must transfer from school to school.
- Provide vehicle tax and registration fee exemption for private vehicles of Hawai'i residents serving in the military.



Greeting kupuna at the opening of a new grocery store on O'ahu.

■ HOW TO CONNECT WITH YOUR STATE GOVERNMENT



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